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3 June 1959

MEMORANDUM FOR: Chief, St/I/B
THROUGH : Chief, D/S
FROM : Chief, S/TC
SUBJECT : Requirement for CO on COMPAGNIE GENERALE DE
TELEGRAPHIE SANS FIL'S (CSF), France, Shipments
of Microwave Equipment to the Soviet Bloc.

REFERENCES :

ATTACHMENT :

25X1A2g

25X1X6

BACKGROUND

2. Under the outstanding Franco-Soviet Trade Agreement, France is committed to deliver to the USSR during 1959 radio and television equipment valued at approximately two million dollars. The French Government has advised COCOM that the equipment under the trade agreement is not embargoed. It may be that the French Government has approved a special licensing arrangement for CSF in order to facilitate deliveries to the USSR of radio and television equipment provided for in the above mentioned trade agreement. If this is a blanket-type approval covering such shipments, it would appear that an arrangement of this type also may facilitate the illegal export of embargoed equipment by that company to the Bloc.

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3. The U.S. Government is currently investigating reported diversions to the Soviet Bloc of embargoed type communications equipment by SOCIETE FRANCAISE RADIO-ELECTRIQUE (SFR), Paris, an affiliate of Compagnie Generale de Telegraphie Sans Fil (CGSF). Embassy Paris recently has been requested to approach the French authorities in an attempt to develop information on a shipment of 125 cases of television transmitters in December 1958 from CGSF to the USSR.

4. There is considerable evidence that SFR and the Paris firm TELECOMMUNICATIONS RADIOELECTRIQUES ET TELEPHONIQUES (T.R.T.) have shipped embargoed communications equipment to the Bloc. One source alleges that SFR in late 1958 successfully effected illegal shipments to Poland of strategic microwave link equipment under the guise of non-embargoed television equipment. Due to identification problems, embargoed equipment in this category may be susceptible to licensing and shipment as unrated equipment, possibly as part of a larger shipment of unrated communications (perhaps television) equipment.

5. Item 1520 of the International Embargo List reads as follows: Radio relay communications equipment and specialized components and sub-assemblies, therefore, other than short-range and low power links for transmissions between the camera or studio and the television transmitter.

6. As will be noted from the attached document, permission has been granted to disseminate the information contained in referenced OO-B report to the American Embassy Paris for discussions with the French authorities, regarding the licensing arrangement between CGSF and the USSR, and to other Western European Foreign Service posts for background use.

REQUIREMENT

1. Provide clarifying details of the reported licensing arrangement between CGSF and the USSR, including information as to whether this is a blanket-type coverage for shipments to the USSR under the current trade agreement. If the French Government has such licensing arrangements in force for other firms exporting to the Sino-Soviet Bloc, we should appreciate learning as much detail as possible, including whether these arrangements are uniform for all firms covered.

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2. Is the radio and microwave link equipment, that source states CSF is currently making for the USSR, of an embargoed type? (See paragraph 5 above) It would be particularly helpful if source could determine the quantities and specifications and intended end-use in the USSR of this equipment CSF is reportedly shipping to the USSR.

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Distribution:

Orig. and 1 - addressee

1 - D/S

1 - S/TD

1 - S/TD/T

✓ 1 - Requirements

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1 - [REDACTED]
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RR/S/TD [REDACTED] :fs/8428 (4 June 1959)

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